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available to HUD for reallocation, and will be allocated in accordance with the provisions of §576.5 of this part.

- (e) Selection criteria. HUD will award grants under paragraph (c) of this section based on consideration of the following criteria:
- (1) The nature and extent of the unmet homeless need within the jurisdiction in which the grant amounts will be used:
- (2) The extent to which the proposed activities address this need; and
- (3) The ability of the grantee to carry out the proposed activities promptly.
- (f) Definitions—returned or unused grant amounts. (1) For purposes of this section, emergency shelter grant amounts are considered "returned" when they become available for reallocation because a jurisdiction does not execute a grant agreement with HUD for them.
- (2) For purposes of this section, emergency shelter grant amounts are considered "unused" (i.e., Federal deobligation):
- (i) When they become available for reallocation by HUD after a grantee has executed a grant agreement with HUD for those amounts; or
- (ii) The amounts remain after reallocation under §576.43 or paragraph (c) of this section.

[54 FR 46799, Nov. 7, 1989, as amended at 57 FR 54507, Nov. 19, 1992; 60 FR 1918, Jan. 5, 1995. Redesignated and amended at 61 FR 51551, Oct. 2, 1996]

Subpart E—Program Requirements

SOURCE: 54 FR 46799, Nov. 7, 1989, unless otherwise noted. Redesignated at 61 FR 51550, Oct. 2, 1996.

§ 576.51 Matching funds.

(a) General. Each grantee, other than a territory, must match the funding provided by HUD under this part as set forth in 42 U.S.C. 11375. The first \$100,000 of any assistance provided to a recipient that is a State is not required to be matched, but the benefit of the unmatched amount must be shared as provided in 42 U.S.C. 11375(c)(4). Matching funds must be provided after the date of the grant award to the grantee. Funds used to match a previous ESG grant may not be used to match a sub-

sequent grant award under this part. A grantee may comply with this requirement by providing the matching funds itself, or through matching funds or voluntary efforts provided by any State recipient or nonprofit recipient (as appropriate).

(b) Calculating the matching amount. In calculating the amount of matching funds, in accordance with 42 U.S.C. 11375(a)(3), the time contributed by volunteers shall be determined at the rate of \$5 per hour. For purposes of this paragraph, the grantee will determine the value of any donated material or building, or of any lease, using a method reasonably calculated to establish a fair market value.

[61 FR 51552, Oct. 2, 1996]

§ 576.53 Use as an emergency shelter.

- (a)(1) Restrictions and definition. Period of use restrictions applicable to assistance provided under this part are governed by 42 U.S.C. 11375(a). Use of grant amounts for developing and implementing homeless prevention activities does not trigger period of use requirements.
- (2) For purposes of the requirements under this section, the term same general population means either the same types of homeless persons originally served with ESG assistance (i.e., battered spouses, runaway children, families, or mentally ill individuals), or persons in the same geographic area.
- (b) Calculating the applicable period. The 3- and 10-year periods applicable under paragraph (a) of this section begin to run:
- (1) In the case of a building that was not operated as an emergency shelter for the homeless before receipt of grant amounts under this part, on the date of initial occupancy as an emergency shelter for the homeless.
- (2) In the case of a building that was operated as an emergency shelter before receipt of grant amounts under this part, on the date that grant amounts are first obligated for the shelter.

[54 FR 46799, Nov. 7, 1989. Redesignated and amended at 61 FR 51552, Oct. 2, 1996]